

EXHIBIT 13

Puerto Rico governor denounces power company amid outages

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By DÁNICA COTO August 18, 2022 GMT

SAN JUAN, Puerto Rico (AP) — Puerto Rico’s governor on Thursday denounced the private company his administration contracted to take over the island’s power transmission and distribution system amid a recent spike in electricity outages that have outraged many in the U.S. territory.

It is the first time Gov. Pedro Pierluisi has publicly criticized Luma Energy — a consortium made up of Calgary, Alberta-based Atco and Quanta Services Inc. of Houston — despite street protests and calls on social media for Pierluisi to cancel Luma’s 15-year contract that began in June 2021.

“I am not satisfied with the performance of Luma,” said Pierluisi, who previously had defended and praised the company. “It is obvious to me that you have to make changes to your execution plan to significantly improve the service you are offering our people.”

Hours later, Luma officials held a press conference where they said progress has been made and said the neglect and mismanagement that occurred under Puerto Rico's Electric Power Authority, which is trying to restructure more than \$9 billion in debt, are not going to be fixed in a year.

"We recognize and acknowledge that there are significant challenges that remain to be addressed," said CEO Wayne Stensby. "I know that the people of Puerto Rico are tired of excuses and the constant blaming of someone else."

Luma's roughly 1.5 million clients have been hit by power outages that have worsened in recent months and have forced some businesses to close since they cannot afford to run generators on expensive fuel. One of Puerto Rico's largest hospitals was left without power last week when one of its generators failed in the middle of an outage.

Luma and Puerto Rico's Electric Power Authority have blamed aging infrastructure, lack of maintenance, bad weather, sargassum and even an iguana for the blackouts. Officials also stress they're working with a system just now being rebuilt after Hurricane Maria razed the U.S. territory's power grid in September 2017.

Pierluisi said that was not an excuse.

"Although I recognize that the electrical network we have is fragile and obsolete, it is Luma's responsibility to operate it under the critical and emergency state in which it finds itself," he said.

Puerto Rico's Energy Bureau released a report Thursday night that showed an overall increase in the duration of outages per customer every month since January, averaging 21 hours. It said there has been no improvement in the frequency of interruptions.

The bureau said Luma and Puerto Rico's Electric Power Authority have until Sept. 1 to explain the slump in those and other metrics as it threatened to impose penalties.

Luma officials, however, said there have been 30% fewer power outages this year than last year. Stensby also said his company has repaired some 3,800 electric posts, replaced 10,000 streetlights that had remained dark since Maria and launched 209 post-hurricane projects with federal funds, 14 of which are under construction.

But fires at substations have become increasingly common, and Puerto Ricans have posted social media videos of crackling and sizzling equipment, as well as pictures of what they say are absurdly high power bills. Seven electricity rate increases requested by Luma have been approved by Puerto Rico's Energy Bureau this year alone.

“There is no governmental action to address these problems,” said José Luis Dalmau, president of Puerto Rico’s Senate and a member of the main opposition party. “It’s unacceptable that in the face of this chaos, the governor is alienated from the reality that people are experiencing.”

Puerto Rico’s Energy Bureau announced an investigation into a power outage Wednesday that affected some 250,000 clients and led to a 25% loss in overall energy generated.

“To the extent that LUMA and the (Power) Authority fail, and they argue over who is to blame, it will be up to us ... to assign responsibilities and demand improvements,” the bureau said.

Among those affected by Wednesday’s outage was Jacqueline Santiago, who lives along Puerto Rico’s southern coast.

“This happens all the time,” she said, adding that people in her neighborhood have lost microwaves, refrigerators and televisions as a result of the outages and constant power fluctuations. “We are incredibly frustrated.”

Santiago said she was pleased Pierluisi spoke out against Luma, but believes he had no other choice: “With what face is he going to keep defending them?”

In addition to intermittent outages, Puerto Rico was hit with an islandwide blackout in April that officials blamed on a fire that occurred at a main power plant.

The spike in outages concerns many who note that the peak of the Atlantic hurricane season is approaching, with meteorologists forecasting a seventh straight unusually busy season.

Julia Nazario, mayor of the northern coastal town of Loiza, said some neighborhoods have experienced outages every day for the past week: “This is not OK.”

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